

STATE OF MICHIGAN



JAMES J. BLANCHARD, Governor

DEPARTMENT OF NATURAL RESOURCES

DAVID F. HALES, Director

State Office Building  
350 Ottawa, N.W.  
Grand Rapids, Michigan 49503  
Phone: 616-456-5071

September 19, 1988

Mr. W. G. Robrecht  
Detrex Chemical Industries  
P.O. Box 5111  
Southfield, MI 48086-5111

RE: MID091605972 (Detroit Facility)  
MID020906764 (Grand Rapids Facility)

Dear Mr. Robrecht:

The Michigan Department of Natural Resources has recently completed a review of your firm's RCRA financial assurance document which was submitted on March 31, 1988. Such documentation is required under 40 CFR, Part 265, Subpart H of the RCRA statute.

Based on information supplied by our Detroit District staff, and also based on our review of your Grand Rapids operation, we have determined that Detrex is in current compliance with the financial assurance requirements set forth in Subpart H of Part 265. Please remember that closure cost estimates must be adjusted annually or whenever there are plan cost factor changes that will result in a change in closure expenditures.

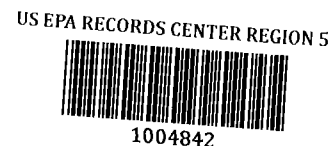
If you should have any questions, please contact our office at (616) 456-5071.

Sincerely,

Dale M. DeKraker  
Environmental Quality Analyst  
Waste Management Division

DMD/bls

cc: Daria Devantier, MDNR



Inspection Priorities for RCRA Interim Status Financial Responsibility Requirements

1.

265.140(c) Is this a State or Federal Facility?

FINANCIAL ASSURANCE REQUIREMENTS

265.142(a) Is the written closure cost estimate available? YES

265.144(a) Is the written post-closure cost estimate available? NA

265.142(c) Have any revisions been made to the closure/post-closure cost estimates which increase the cost of closure/post-closure? NO

265.142(d) Have the closure/post-closure cost estimates been revised to reflect the increased cost of closure/post-closure? YES

265.142(b) Have the closure/post-closure cost estimates been updated to the current year by either recalculating the cost estimates or using an inflation factor derived from the most recent Implicit Price Deflator from the U.S. Department of Commerce? YES

Note: The annual Implicit Price Deflator covers the period from April 1987 to April 1988 (for example) and can be obtained from the Commerce Department Library in Chicago, (312) 353-4450.

1980 - 85.7	1984 - 108.1
1981 - 97.0	1985 - 111.7
1982 - 100.0 base year	1986 - 114.5
1983 - 103.8	1987 - 116.4

265.143 Which financial instrument(s) is used to assure closure/post-closure care costs?

Closure

Post-Closure

☐ Trust Fund \*

☐ Trust Fund \*

☐ Surety Bond\*

☐ Surety Bond\*

☐ Letter of Credit\*

☐ Letter of Credit\*

☐ Insurance\*

☐ Insurance\*

☒ Financial Test

☐ Financial Test

☐ Corporate Guarantee

☐ Corporate Guarantee

265.143(f) ☐ Combination of above\*  
265.145(f) Specify:

☐ Combination of above\*  
Specify:

265.143(g) ☒ One instrument for multiple facilities  
265.145(g) specify: FINANCIAL TEST

☐ One instrument for multiple facilities  
specify:

MID 020906764

MID 091605972

- 265.146 Has the owner or operator used one instrument for financial assurance of both closure and post-closure care? **N/A**
- 265.142 Does the amount of the financial assurance instrument(s) equal  
265.144 or exceed the current closure/post-closure cost estimates? **YES**
- 265.150 Has the State assumed responsibility for the facility's compliance with closure/post-closure care requirements? **YES**

### LIABILITY REQUIREMENTS

- 265.147(a) Does the owner or operator have coverage for sudden accidental occurrences in an amount of at least \$1 million per occurrence with an annual aggregate of at least \$2 million, exclusive of legal defense costs? **YES**
- 265.147(a) What is the method of coverage?
- ☐ Insurance
  - ☐ Hazardous Waste Facility Endorsement, or
  - ☐ Certificate of Liability Insurance
  - ☒ Financial test
  - ☐ Corporate Guarantee
  - ☐ Combination of financial test or corporate guarantee and insurance
- 265.147(b) Does the owner or operator of a surface impoundment, landfill, or land treatment facility which is used to manage hazardous waste have coverage for nonsudden accidental occurrences in the amount of at least \$3 million per occurrence with an annual aggregate of at least \$6 million, exclusive of legal defense costs? **N/A**
- 265.147(b) What is the method of coverage?
- ☐ Insurance
  - ☐ Hazardous Waste Facility Liability Endorsement, or
  - ☐ Certificate of Liability Insurance
  - ☐ Financial test
  - ☐ Corporate guarantee
  - ☐ Combination of financial test or corporate guarantee and insurance

- 265.147(e) After receiving final closure certifications from the owner or operator and an independent registered professional engineer, has the Director notified the owner or operator in writing that the owner or operator is no longer required to maintain liability coverage? *N/A*  
*CLOSURE NOT INITIATED*
- 265.150 Has the State assumed responsibility for the owner's or operator's compliance with the liability requirements for sudden and/or nonsudden accidental occurrences? *YES*

Depending on the division of responsibility between the district offices and the central office in Lansing, the following may apply to a CEI inspection:

- 265.143 Does the wording of all financial instrument(s) match that in 264.151 and identify the Director of MDNR rather than the U.S. EPA Regional Administrator? *N/A*
- 265.145 in 264.151 and identify the Director of MDNR rather than the U.S. EPA Regional Administrator?
- 265.143(a) Are the closure/post-closure cost estimates calculated according to Federal and State requirements? *YES \**
- 265.143 Have the procedures regarding the financial instrument(s) been followed? *YES*

*\* - COMPANY ALLOWS FOR RECLAM OF SOLVENTS AT ITS DETROIT FACILITY. THIS APPEARS TO BE ALLOWABLE UNDER 40 CFR, SUBPART H.*



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

230 SOUTH DEARBORN ST.

CHICAGO, ILLINOIS 60604

MAR 26 1987

REPLY TO THE ATTENTION OF:  
5HE-12

MID 091 605 972 ✓  
U.S. EPA ID #: MID 020 906 764

Detrex Chemical Industris, Inc.  
Post Office Box 501  
Detroit, Michigan 48232

Re: RCRA Financial Responsibility

Dear Owner/Operator:

On October 30, 1986, the State of Michigan was granted final authorization by the Administrator of the United States Environmental Protection Agency (U.S. EPA) to administer a hazardous waste program in lieu of the Federal program. As a result of final authorization, Michigan is required to enforce the provisions of the Resource Conservation and Recovery Act (RCRA). One of these provisions (40 CFR Part 265, Subpart H) requires all hazardous waste facilities to demonstrate financial responsibility for liability coverage and closure/post-closure care.

To implement this aspect of authorization, financial documents must be written to satisfy the requirements of the Michigan Administrative Code 1985 AACs, Part 7, which is the Michigan equivalent of 40 CFR Part 265, Subpart H. This letter is to notify you that your financial test should be updated and sent to the Director of the Michigan Department of Natural Resources within 90 days after the close of your fiscal year.

If you have any questions or desire additional information, please contact Ms. Sharon Johnson at (312) 886-4581 or Ronald Brown at (312) 353-7921.

Sincerely yours,

*Wm. E. Muno*

William E. Muno, Chief  
RCRA Enforcement Section

cc: John Bohunsky, MDNR

Inspection Priorities for RCRA Interim Status Financial Responsibility Requirements

Detrex.

MID 09165972

1.

265.140(c) Is this a State or Federal Facility? No

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 265.145(a) Federal and State requirements? *YES \**

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 265.145 followed? *YES*

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